

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6640

BILL NUMBER: SB 174

NOTE PREPARED: Apr 9, 2009

BILL AMENDED: Apr 7, 2009

SUBJECT: Repossession of Motor Vehicles.

FIRST AUTHOR: Sen. Arnold

FIRST SPONSOR: Rep. Herrell

BILL STATUS: As Passed House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill provides that a person who repossesses a motor vehicle or watercraft must, either before repossessing the motor vehicle or watercraft or not later than two hours after repossessing the motor vehicle or watercraft, provide the appropriate sheriff's department with (1) the identity of the repossession company; (2) a description of the motor vehicle or watercraft; (3) the name and address of the person believed to be in possession of the motor vehicle or watercraft (or believed to have been in possession of the motor vehicle or watercraft); and (4) the address where the motor vehicle repossession agent found the motor vehicle or watercraft, or believes that the motor vehicle or watercraft will be found. Failure to notify is a Class C infraction.

Effective Date: July 1, 2009.

Explanation of State Expenditures:

Explanation of State Revenues: If additional court cases occur and infraction judgments and court fees are collected, revenue to the state General Fund may increase. The maximum judgment for a Class C infraction is \$500, which is deposited in the state General Fund.

If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$18), the public defense administration fee (\$3), the court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues: If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

State Agencies Affected:

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources:

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.